



4FRI Stakeholder Group Meeting

Wednesday, February 27th, 2019 9am-1:05pm

Arizona Game & Fish Region 1 Office (Pinetop)

2878 E. White Mountain Blvd., Pinetop, AZ 85935

Teleconference line: (712) 775-7031, code: 439290611#

Attendance: Bruce Greco, Greg Smith, Allison Jourden, Melanie Colavito, Amy Waltz, Lynn Krigbaum, Joe Miller, Dick Fleishman, Adam Coolley, Justin Schofer, Steve Rosenstock, Floyd Hardin, Steve Best, James Johnson, Alissa Tanner, Randy Fuller, Keith Johnson, Rochelle Lacapa, Trudy Balcom, Robbin Redman, Chase Kassel, Patrick Moore, Brienne Pettit, Jeremy Kruger, Steven Flanagan, Michelle Ralston, Brad Worsley, Pascal Berlioux

Phone: Steve Horner, Laura Jo West, Lesley Yen, Heather Provencio, Dan Kipervaser, Mark Nigrell, Michael Hannemann, Aaron Green, Bryce Esch, Kelly Wolff, Steve Reiter, Todd Schulke, Hanna Griscomb, Tabi Bolton, Ann Mottek, Diane Vosick, Neil Chapman, Scott Lerich

9:00 Introductions

9:05 Approve minutes from the November 28th SHG meeting — Smith - Approved

9:10 Review action items from the November 28th SHG meeting — Smith

Action Item	Lead	Status
1. Working Groups are to identify 3-5 action items from the strategic plan that they feel are most important to accomplish in 2019. WGs will present these to the SHG via their updates at the January meeting	Working Groups	Complete
2. Co-Chairs are to develop the letter to be submitted to the AZCC Docket on behalf of the 4FRI Stakeholder Group. This will be posted to BC by Friday, 11/30 for two days of comment before being submitted on Monday, 12/03 COB	Whiting, Bruner	Complete
3. Post letter in response to SHG letter concerning the Little Timber Sale to Basecamp	Best	Complete

9:15 Call to the Public - None

9:20 USFS Update - 4FRI Coordinators

Operations – Fleishman provides the operations update. Current activities are limited due to weather but the FS is still taking advantage of all opportunities to move frozen material.

Kruger – Jeremy Kruger is the new Chief Executive of 4FRI.

Pettit – Cal Joyner is travelling to DC and will partake in conversations regarding 4FRI on behalf of the whole region, with various Washington Office.

Redman – Forest Service 4FRI Coordinators are continuing work on the draft EIS. They're shooting for a late-spring release date. They have a working group meeting scheduled with the DEIS WG to discuss opportunities for a reveal.

Kipervaser – Dan is working with the board on prioritizing and developing the agreements for this year on the different kinds of spring and stream restoration monitoring that they hope to do. The board will provide a separate update. Dan is working on processing and development.

The 2018 Omnibus Bill reauthorized CFLRP funding however the 10 project that were initially authorized will still be ending this year. A FACA committee is in the process of development and they will be working on a new process for moving forward given the reauthorization. There's a call tomorrow with the national CFLRP folks. Dick will provide updates as they're available.

- Government Shutdown Impacts

The FS has picked up where they left off and are moving forward on everything that was planned for this year. They're working to stay on track as much as possible. During the shutdown, many staff still worked on the DEIS and RFP.

The A-S had to push one project, the West Escudilla Locos Sale, back a year, due to the shutdown.

- DEIS Update and Little Sales Lessons Learned

Best – The FS has reevaluated some of their sale areas and have readjusted their marks in regards to which large old trees they will take and which they will leave, in regards to dwarf mistletoe (DMT) infestations. They're doing so as to not take any more trees than are necessary for effective restoration. They were taking trees rated as 3 and higher in regards to DMT and now they're only taking those rated 5 and higher. This new evaluation method is taking place on all future sales but a few of their current sales were reevaluated as well.

There is an opportunity for the SHG to be involved in the future of public communication in regards to the EIS and the RFP

9:50 Strategic Plan Update – Pettit and Colavito

At the last SHG meeting, Souther and Colavito presented a review on the Strategic Plan to review context and history behind it and to work through action item updates. That meeting determined that there were too many action items to accomplish and maintain a strong focus of efforts. The SHG was tasked to determine which action items were most important to be prioritized. Since then, each WG has worked to identify their priorities with regards to the strategic plan action items. The CWG, CIWG, MPMB, and the IWG have all identified their top priorities. Melanie provides a print out of the action items that are mainly owned by the SHG, though many action items are shared with the FS as well.

CWG (Wolff) – The CWG has identified 3 priorities: to continue to manage and produce the newsletter three times a year, to assess and develop timely communication protocols based on needs and to strive for proactive outreach as well, and to continue to further inform the public and target audiences on both the social and economic value of forest restoration treatments.

CIWG (Griscomb) – The CIWG has identified 4 priorities for this year: to draft a 5-yr plan or table for comprehensive restoration projects through a compilation of existing knowledge. The CIWG is working with the Spring Stewardship Institute to make sure they have all available information on existing springs in 4FRI and they intend to work with that to determine which restoration projects they will focus on in the coming year. The second is to work to fund and complete 1-3 restoration project per year. The 3rd is to publicize and complete volunteer projects, as they've accomplished in the past. The final priority is to make sure they're coordinating with the CWG to ensure their accomplishments and volunteer opportunities are communicated with the public and targeted audiences.

IWG (Worsley) – The IWG is holding the 2019 Industry Round Table in March which will further develop these priorities. They intend to continue to push the RFP and the implementation of the 90mw biomass rule through the ACC processes.

MPMB (Esch) – The MPMB is responsible for ten items in the Strategic Plan and they are working on each continuously, but they've picked 3 to prioritize this year: to collect and analyze data relevant to address monitoring questions and achieve adaptive management goals. This is always their first priority. They're currently planning their upcoming field season for data collection and determining which projects they will address as well as identifying new opportunities. The second is to identify and foster new partnerships and commitments to add monitoring capacity as capacity is the MPMB's number one limiting factor. Their last priority is to consult agencies and partner organizations to determine if data relevant to monitoring questions exists. They're looking at what types of data are already out there as a way to minimize duplicated efforts.

The working groups are to maintain these priorities and update on them regularly at Stakeholder's Group Meetings.

FS (Pettit) – The FS has been narrowing down the items in order to determine the priorities into something that's trackable. Those items are reflected in what the SHs have identified as well. The FS next steps is to take this back to the forests to validate the items and make sure the things we think we can do are possible and in agreement.

Miller –AZG&F has done a number of stream restoration projects within the 4FRI EIS area, much more than many folks realize. Joe states that these stream restoration projects have not been reflected in 4FRI successes. Miller believes these efforts fall within the CIWG targets as well.

Next steps in regards to this plan requires a discussion regarding who will keep the Action Items spreadsheet up to date. If there is a smaller spreadsheet focused around these most important items, it will be easier to track.

Waltz – Suggests that at the end of the calendar year, we do an evaluation check-in and that might be a great time to provide updates on the plan.

Pettit – The plan was intended to be the guide on a day-to-day basis so the FS has committed to revisiting the plan more often than once a year. Agrees that a comprehensive review every

year is a great tool. Believes the weekly WG updates should feed physical plan updates as well, to aid us in staying on track.

Next Steps: The DEIS WG is to identify priorities to add to the plan. The ERI will determine who is responsible for updating the spreadsheet for each meeting.

11:00 RFP Update – 4FRI Coordinators – Elaine Corman

The parties currently involved in the RFP Coalition with the Forest Service are SRP and the Bureau of Reclamation. The State Foresters Office is working on confirming an agreement in regards to their role as well but to this point, they haven't been involved. Their timeline is to release the RFP for solicitation in May with an award coming out sometime this fall. All of the information they're working with is confidential. They have NDAs with all parties involved.

AZDFFM and the State Forestry department has not been involved in the development of the RFP since the transitions that occurred in November. Conversations are taking place with Dave Tenney in regards to how they might be involved in the future.

Elaine confirms that, despite rumors, no additional outside groups or participants are involved in the current development of the RFP.”.

Folks who have questions moving forward should contact Elaine. She will continue to provide official updates.

Miller – Can Elaine give a restatement of the intended purpose and scope of this RFP? The RFP is developing a request for a suite of contractors to bid on the next phase of this 4FRI landscape restoration. Phase one has already been contracted. This would be a 20yr contract under the new stewardship authority that was passed in the 2018 omnibus bill. This is in efforts to progress restoration and increase implementation.

Worsley – When are they expecting initial responses from bidders? They haven't decided those dates yet and that's confidential at this time. Worsley expresses that the sooner that information is made available, the better with regards to planning. If they know these dates, it will allow them to better support partners to participate.

11:30 Biomass / Arizona Corporate Commission Update – Berlioux

Following many stakeholders' involvement and submission to the ACC docket in October, a major step forward was accomplished when the commission voted to pass a policy statement which identified the need for a 60MW carve out in the REST which is Renewable Energy Standards and Tariff. Approximately 30MW currently exists in Snowflake with Novo BioPower and an additional 60MW is to be invested in at a location still undecided on the North Eastern side of the state, which would reach the target number of 90MW. There is currently a policy statement from the ACC but that isn't worth much until a Rule for execution is developed. They are currently working on getting the December policy statement translated into a rule that will become binding upon the utilities.

In February, there was a public workshop in Phoenix at the ACC. Berlioux told the commission they had a 60-day window to translate the policy into a hard rule so that those bidding on the USFS RFP would have a path toward the disposal of biomass. Berlioux is confident that message was presented loud and clear to the ACC.

Pascal has not received any indication that APS intends to restart their work on the recently suspended RFP unless there is a rule that mandates them to do so. SRP has gone public in asking the commission to not move forward with the rule until after the FS RFP. Their perspective seems to be that we need to wait to see what kind of biomass utilization opportunities will be provided by bidding industries because maybe there will be no need for burning biomass for electricity. Perhaps a bidder may have an alternative use for the biomass.

Worsley – The greatest advocate to getting restoration accomplished is the FS RFP. The more disciplined we can be in planning and releasing dates, the better chance we have. That is what is motivating the chair of the ACC. Brad urges those working on the RFP to call once a date is available as it will greatly help us. We can be proactive by continuing putting pressure on the utilities.

Fleishman – Thanks the stakeholders who provided input to the docket in October. Is there a need for the stakeholders to do something similar now? Berlioux - Yes there is; any individual stakeholder can be rationalized as a conflict of interest. The fact that we had many individual parties presenting the same voice to the docket is what was effective. Pascal believes we will need a 2nd round of this voice coming to the commission. We want to make sure we're identifying concrete moments when it is most critical to have stakeholders engaged. Pascal will remain diligent to identify these special opportunities.

Johnson – Would it be helpful to have the local communities of the White Mountains pass resolutions in support of this effort? If there are folks that could help in drafting these resolutions, Johnson offers his support in helping it get around to all Town Managers. It is important that all communities maintain a consistent message that this is important and that they remain involved in the efforts.

Miller – Thanks Berlioux and Worsley for this comprehensive overview. A briefing paper or some sort of guidance for clear issue conveyance would be helpful to Miller in order to share this information. TU has wondered what their follow-up should be in regards to the docket and the ACC. Berlioux answers that they would be happy to provide the briefing document that Miller requested. Berlioux and a team will spend the next couple of weeks defining which specific aspects are most important to press on this issue. He agrees that the FS should come out to the commission in a letter to the docket stating that the FS takes a clear cut position and that if the ACC wants to help make the RFP a success, moving forward, it is crucial that they outline a clear path about biomass in the market, by translating the new policy statement to rule. If the FS could make a clear statement that they need the ACC to do this, Berlioux thinks it would be critical to the effort.

11:45 Industry Update – Attending Industry Members

TriSTAR / NovoSTAR Wood Products (Reidhead) – They're working to get as much product to Novo Power and their saw mill as possible given the weather conditions. They are currently

taking this lag time to do some work on their mill. They're hoping to get into Tonto in a couple of weeks. They're also working on grassland restoration projects.

Novo Power (Worsley) – They resumed operations on February 1st, 2018 after their natural gas explosion. They ran 345/365 of 2018 and increased output in 2018. They are in need of material - they're down to about a week of inventory which is a little concerning so they're working diligently to keep material coming in.

New Life Forest Products (Cooley) – Their current working task orders are inundated with snow. Biomass has been going to Brad sporadically, due to weather. Regarding the new facilities, Heber has been out of logs for a bit. They restart production at the end of this week. The Williams Sawmill started up yesterday. They're running about one-log a minute. It's an interim solution before the other sawmill goes in. There is a 4-6 month build time and then it will be installed on the piece of land they bought on garland prairie road.

The Nature Conservancy (Bolton) – TNC is actively delivering on the Chimney springs project area.

12:05 Working Group Updates

- DEIS WG (10 min) – Berlioux, Waltz

The co-chairs are meeting on Friday to set expectations with regards to the release of information. The more preparation they can do, the more efficient their review will be. The facilitation contract has been finalized – they plan to do key interviews with stakeholders to ensure the DEIS is working in tandem with what the entire SHG wants out of this WG. Following their Friday meeting, they will be posting a summary on Basecamp. Those who would like to participate are invited to do so by letting Amy know. Groups are contributing monetarily to the facilitation efforts.

- Industry WG (10 min) – Worsley

The Industry Round Table will be held in Holbrook this year. It will determine what the IWG will focus on for the next year. It will likely be held in the Navajo County Facilities, as it has been in the past. They are planning to invite anyone from various constituencies who are interested in participating or witnessing the processes. ECO is going to provide lunch. Dick Brad and Pascal are working to review the action items from last year to determine what has been accomplished and which action items are still relevant and in process. They will then redefine their current priorities.

NAPCO has left AZ permanently to focus their efforts and work in Texas.

- Communications WG (10 min) – Wolff

The winter newsletter was distributed today. They are currently accepting articles for the next newsletter. These ideas should be submitted to Kelly.

- MPMB WG (10 min) – Griscomb

MPMB continues to work closely with the FS on contracting and agreements to make sure they're getting work done on the ground. This year they're going to start the spring monitoring implementation for the 4FRI Area. They are going to continue the monitoring work they've done in previous years (goshawk, MSO, songbirds, etc.). They're working to make sure they meet all

their agreement deadlines. Their funding for next year is up in the air so they're working to spend what they can, anticipating that it may not be available for future years.

- Comprehensive Implementation WG (10 min) – Griscomb

They're working on creating a 5-year plan which involves a lot of data downloading with the Spring Stewardship Institute and trying to determine which projects they want to tackle for the next year. The CIWG is working with the Arizona Elk Society, the National Forest Foundation and Coconino National Forest on a Houston Draw restoration project on the Mogollon Rim Ranger District. It's a channel that's had a lot of incision and degradation of perennial water. The WG is looking to do some large scale restoration there, probably on the scale of \$150k or so over the next couple of years. They are beginning implementation this year. The CIWG is hoping that this spring, the stakeholder can have a field trip to the T-six restoration project that was completed a year ago, as there have already been some positive results from that restoration. They are also looking to work with the Tonto National forest on some smaller spring restoration projects within the 4FRI footprint.

12:55 Stakeholder Disclosures – All

Colavito – Will Butler from FSU and Courtney Shultz from CSU have been working on an edited volume of research about the CFLRP. Amy Waltz, Bryce Each and Melanie have all contributed to the newly published book called "A New Era for Collaborative Forest Management." The book can be found and purchased online via amazon, audible, etc. It is possible that there will be repositories of certain chapters in the forms of pdfs coming down the pike that folks can read if interested.

Rosenstock – Has commitment for funding from NGO for the DEIS WG.

Coolley – Clarifies that NAPCO being gone is a result of their high cost of being here, so they've brought in a different group that is now part of their business as investors. NAPCOS costs were not sustainable for this no-value timber.

Ralston – Art Babbott is in DC meeting with congressional leadership and leadership in the FS which is why he is not in attendance.

Berlioux – Next week is the annual National Association of Counties (NACo) convention in Washington DC All 6 of the ECO counties will be in attendance. They have lined up a number of meetings with the FS Chief, senators, congressmen, and BLM. They will be happy to report on the content of these meetings afterward.

Fleishman – Economic contribution paper – The report was completed and the press release was posted to basecamp. It will also be presented that at the upcoming NAFEW conference in June. If anyone has any questions or an interest in more information, they contact Ann Mottek. The PowerPoint from the NAFEW presentation can be posted to basecamp as well, after it's complete. Thanks to the FS through the CFLRP funds, Coconino County, and AZDFFM for funding that project.

1:00 Review Action Items

Action Item	Lead	Status
1. Determine who will be responsible for the further updates of the SP	ERI	
2. Send newsletter ideas to Kelly	SHG	
3. Post summary of DEIS WG meeting	DEIS WG	
4. Develop priorities for incorporation into the strategic plan	DEIS WG	
5. Draft brief to provide a clear issue conveyance regarding the ACC's policy statement and the need for the development of a binding rule	Berlioux	

1:05 Adjourn

03/27/19 SHG meeting information:

Wednesday, March 27th 2019, 9am-TBD

Coconino National Forest Supervisor's Office

1824 South Thompson St., Flagstaff, AZ 86001

Teleconference line: (712) 775-7031, code: 439290611#

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